

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7526

BILL NUMBER: SB 311

DATE PREPARED: Feb 28, 2001

BILL AMENDED: Feb 27, 2001

SUBJECT: Prompt Payment of Claims.

FISCAL ANALYST: Jim Landers

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) The bill defines a "clean claim" for purposes of provider reimbursement under state employee health benefit plans, accident and sickness insurance policies, and health maintenance organization contracts. The bill provides a procedure for determining whether a state employee health benefit plan, an accident and sickness insurer, or a health maintenance organization shall pay, deny, or suspend claims for payment submitted by health facilities and other providers. The bill requires a state employee health benefit plan, an accident and sickness insurer, or a health maintenance organization to make this determination and to pay a clean claim within 30 days after the claim is filed electronically or within 45 days after the claim is filed on paper. The bill also requires a state employee health benefit plan, an accident and sickness insurer, or a health maintenance organization to pay interest to a provider who submits a clean claim that is paid later than the provided deadline. The bill specifies the period during which interest accrues and provides the interest rate that applies.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: